## Approved For Release 2001/03322. CIA-RDP78-01617A000600130006-2

GENTRAL INTELLIGENCE AGENCY

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OFFICE OF REPORTS AND ESTIMATES

(Supp ORE 60-48)

Project Proposal Memorandum

21 July 1949

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Global Survey Group

Staff intelligence Group, Projects Planning

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Review of ORE 60-48

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To review subject estimate in light of subsequent events

SERMITTIONS!

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As indicated in conference in office of AD/ORE between AD/ORE, Colonels Losey and Craig, and and on 21 July.

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Managilication to be no higher than: Top Secret

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Uncoordinated draft to G/SI by 28 July

French representatives: Preparation draft, internal ORE coordination

Amarioratel responsibilities: Regular coordination by G/SI

ing ownerses the section tion: JIG; IAC (regular holders of ORE 60-48)

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GENTRAL INTELLIGENCE AGENCY

ENTELLIGENCE MEMORANDUM NO. 202

25 July 1949

SUBJECT: Review of CIA Estimate ORE 60-48: Threats to the Security of the United States (Published 28 September 1948).

- The threats to US security and the possibility of direct Soviet military action against the West have been under continuing review during the last few years. In ORE 60-48, dated 13 September 1948, entitled "Threats to the Security of the United States," it was estimated that within the next decade the USSR was unlikely deliberately to resort to wer to gain its end unless it considered that it was in imminent danger of attack by the Western Powers. In ORE 46-49, dated 21 April 1949, entitled "Possibility of Direct Military Action during 1949," it was estimated that a deliberate Soviet resort to military action against the West in 1949 was improbable. It was pointed out in the latter study, however, that international tension had increased during 1948 and that it would probably increase further during 1949. In these circumstances it was estimated that the danger of an unintended outbreak of hostilities through miscalculation on either side must be considered to have increased.
- 2. A review of developments since publication of ORE 46-49, lends further confirmation to the basic estimate that the USSR is unlikely

Note: This memorandum is in process of coordination with the intelligence organizations of the Departments of State, Army, Navy, and the Air Force.

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deliberately to resort to direct military action during the next decade and to the specific estimate that a resort to military action during 1949 is improbable. These developments likewise point to a substantial reduction in the danger of an unintended outbreak of hostilities through miscalculation on either side. The most significant may be noted as follows:

a. The USSR accepted the signing of the Atlantic Pact without the threatening moves against Finland, Scandinavia, Yugoslavia, and Iran, which were considered possible.

b. International tension has been substantially reduced by Soviet initiative in proposing to lift the Berlin Blockade in consideration of a reconvening of the Council of Foreign Ministers. The USSR has likewise indicated a desire to increase East-West trade and to continue discussions on a Four-Power basis in further meetings of the CFM.

c. The increasing evidences of nationalist "deviationism" and economic difficulties in the satellite states bring into sharp relief the basic weaknesses in the position of the USSR and the need for a protracted period of peace in order to consolidate its position within its own sphere.

d. The unexpectedly rapid rise of a strong Communist State in China offers the USSR, on the one hand, the opportunity of quickly expanding its influence by peaceful means in Asia and, on the other, confronts it with the delicate problem of attempting to bring the new Communist regime into the framework of an international dictatorship directed from Moscow. A deliberate resort to military action to attain its objectives in Western

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Europe might adversely affect these favorable prospects of attaining Soviet objectives in the Fer East by peaceful means.

- c. The development of the economic recession in the US and the dollar crisis in the UK appears to have confirmed the USSR in its belief that a general economic crisis in the capitalist world is at hand. Under these circumstances the USSR undoubtedly anticipates that US support of Western Europe will be substantially meakened, that Western unity will be disrupted by conflicting economic interests and that, as a result, opportunities will open up for the attainment of Soviet objectives without resort to military action.
- 3. It is concluded, therefore, that the danger of war as the result of deliberate Soviet military action or of miscalculations on the part of either side will be less during the next year or two than at any time in recent years. However, if economic conditions deteriorate, particularly in Japan or Germany, it is possible that Communist exploitation of these difficulties might create local disturbances that would increase the internal security problem of US occupation forces.

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